

# BLANCHARD WALKER

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BLANCHARD, WALKER, O'QUIN & ROBERTS  
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July 12, 2006

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 94275  
Baton Rouge, Louisiana 70804-9275

**WM. TIMOTHY ALLEN, III**  
Direct: 318.934.0217  
Email: tallen@bwor.com

RE: HEARING APPLICATION  
Substitute Unit Well at Exceptional Location  
GR RA SUG  
Caspiana Field  
DeSoto Parish, Louisiana  
Our File No. 410688.5

Dear Sir:

On behalf of STROUD PETROLEUM, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Glen Rose Zone, Reservoir A, in the Caspiana Field, DeSoto Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize the Stroud Petroleum, Inc. - McClain No. 1 Well, as a substitute unit well for GR RA SUG, at the location shown on the plat attached hereto, in exception to the well spacing provisions of Office of Conservation Order No. 191-G, effective November 30, 2004.
2. To explicitly find that the abovesaid substitute unit well is necessary to drain a portion of the Glen Rose Zone, Reservoir A, in the Caspiana Field underlying GR RA SUG, which cannot be efficiently and economically drained by any existing well in such unit.
3. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Glen Rose Zone, Reservoir A, in the Caspiana Field, DeSoto Parish, Louisiana, is fully defined in Office of Conservation Order No. 191-G, effective November 30, 2004.

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The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Bank One Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

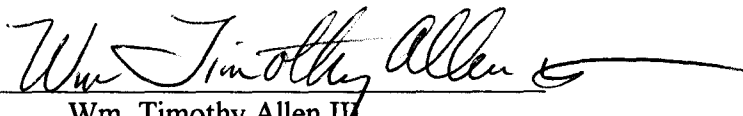
A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By:   
Wm. Timothy Allen III  
Attorneys for Stroud Petroleum, Inc.

WTAIII:kml  
Enclosures

cc: Mr. James C. Broussard, Shreveport  
District Manager (w/enclosures)  
cc: Interested Owners, Represented Parties  
and Interested Parties (w/copy of plat only)

